

**TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND  
St. Charles Parish, Louisiana**

**Annual Financial Report**

**Year Ended December 31, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/27/11

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**TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND**

**St. Charles Parish, Louisiana**

**Management's Discussion and Analysis**

Within this section of the annual financial report of the Judicial Clerk's Fund of the Twenty-Ninth Judicial District of St. Charles Parish, the Judicial Clerk's Fund's management provides this narrative discussion and analysis of the financial activities of the Judicial Clerk's Fund for the year ended December 31, 2010. The Judicial Clerk's Fund's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

**FINANCIAL HIGHLIGHTS**

The Judicial Clerk's Fund's assets exceeded it's liabilities by \$1,262,529 (net assets) for the year reported.

Total net assets are comprised of the following:

- Capital assets of \$13,656 include property and equipment, net of accumulated depreciation.
- Unrestricted net assets of \$1,248,873 represent the portion available to maintain the Judicial Clerk's Fund continuing obligations to citizens and creditors.

The Judicial Clerk's Fund's General Fund reported total ending unreserved/undesignated fund balance of \$1,236,571 this year. This compares to the prior year ending unreserved/undesignated fund balance of \$1,097,027 showing an increase of \$139,544 during the current year.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the Judicial Clerk's Fund's basic financial statements. The basic financial statements include: (1) government - wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Judicial Clerk's Fund also includes in this report additional information to supplement the basic financial statements.

**TWENTY - NINTH JUDICIAL DISTRICT  
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St. Charles Parish, Louisiana

**Management's Discussion and Analysis**

**GOVERNMENT - WIDE FINANCIAL STATEMENTS**

The Judicial Clerk's Fund's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Judicial Clerk's Fund's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the Judicial Clerk's Fund's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Judicial Clerk's Fund as a whole is improving or deteriorating. Evaluation of the overall health of the Judicial Clerk's Fund would extend to other nonfinancial factors in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Judicial Clerk's Fund's net assets changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Judicial Clerk's Fund's distinct activities or functions on revenues provided by the Parish and the State of Louisiana.

The government-wide financial statements present governmental activities of the Judicial Clerk's Fund that are principally supported by intergovernmental revenues. The sole purpose of these governmental activities is judicial.

The government-wide financial statements are presented on pages 10 and 11 of this report.

**FUND FINANCIAL STATEMENTS**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Judicial Clerk's Fund uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Judicial Clerk's Fund's most significant funds rather than the Judicial Clerk's Fund as a whole.

**TWENTY - NINTH JUDICIAL DISTRICT  
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**St. Charles Parish, Louisiana**

**Management's Discussion and Analysis**

The Judicial Clerk's Fund has only governmental funds.

Governmental funds are reported in the fund financial statements and encompasses the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Judicial Clerk's Fund's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term decisions regarding revenues and expenses. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The governmental fund financial statements are presented on pages 12 -15 of this report.

**Notes to the basic financial statements**

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 16 of this report.

**FINANCIAL ANALYSIS OF THE JUDICIAL CLERK'S FUND AS A WHOLE**

The Judicial Clerk's Fund recently implemented the new financial reporting model used in this report. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Judicial Clerk's Fund as a whole.

TWENTY - NINTH JUDICIAL DISTRICT  
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St. Charles Parish, Louisiana

Management's Discussion and Analysis

The Judicial Clerk's Fund's net assets as of December 31, 2010 and 2009 were \$1,262,529 and \$1,123,102 respectively. The following table provides a summary of the Judicial Clerk's Fund's net assets:

Summary of Net Assets

	December 31, 2010 Governmental Activities	December 31, 2009 Governmental Activities
Assets:		
Current assets	\$ 1,298,472	\$ 1,153,549
Capital assets	<u>13,656</u>	<u>7,978</u>
Total assets	<u>1,312,128</u>	<u>1,161,527</u>
Liabilities:		
Current liabilities	49,599	38,425
Long-term liabilities	<u>-0-</u>	<u>-0-</u>
Total liabilities	<u>49,599</u>	<u>38,425</u>
Net assets:		
Investment in capital assets	13,656	7,978
Unrestricted	<u>1,248,873</u>	<u>1,115,124</u>
Total net assets	\$ <u>1,262,529</u>	\$ <u>1,123,102</u>

**TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND**

St. Charles Parish, Louisiana

**Management's Discussion and Analysis**

The following table provides a summary of the Judicial Clerk's fund changes in net assets:

**Summary of Changes in Net assets**

	<u>December 31, 2010</u> Governmental Activities	<u>December 31, 2009</u> Governmental Activities
Program Revenue:		
Fees and Fines	\$ 416,381	\$ 388,464
Operating grants	260,144	233,905
General Revenue:		
Interest	<u>3,212</u>	<u>3,300</u>
Total revenues	<u>679,737</u>	<u>625,669</u>
Program expenses:		
Judicial	<u>540,310</u>	<u>420,339</u>
Total expenses	<u>540,310</u>	<u>420,339</u>
Change in net assets - Increase	139,427	205,330
Beginning net assets	<u>1,123,102</u>	<u>917,772</u>
Ending net assets	\$ <u>1,262,529</u>	\$ <u>1,123,102</u>

**GOVERNMENTAL REVENUES**

The Judicial Clerk's Fund is reliant on revenue received from St. Charles Parish and the State of Louisiana to support its operations. Unlike many other agencies, the Judicial Clerk's Fund receives no property tax or sales tax revenue. The Judicial Clerk's Fund's financial position has enabled it to earn \$3,212 in interest to support governmental activities.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

The total governmental function of the Judicial Clerk's Fund's office is judicial activities. Of the total costs, depreciation on the equipment was \$3,905.

**TWENTY - NINTH JUDICIAL DISTRICT  
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**St. Charles Parish, Louisiana**

**Management's Discussion and Analysis**

**FINANCIAL ANALYSIS OF THE JUDICIAL CLERK'S FUNDS**

**Governmental Funds**

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds had an ending fund balance of \$1,248,873, all of which is unreserved and undesignated indicating availability for continuing the Judicial Clerk's Fund's activities.

**CAPITAL ASSETS**

The Judicial Clerk's Fund's investment in capital assets, net of accumulated depreciation as of December 31, 2010, was \$13,656. See Note 6 of the notes to the financial statements for additional information about changes in capital assets during the current year.

**CONTACTING THE TWENTY-NINTH JUDICIAL DISTRICT JUDICIAL CLERK'S FUND  
FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Judicial Clerk's Fund finances, comply with finance-related laws and regulations, and demonstrate the judges commitment to public accountability. If you have any questions about this report or would like to request additional information, contact Emile St. Pierre, Chief Judge of the Twenty-Ninth Judicial District, P. O. Box 424, 15045 River Road, Hahnville, LA 70057. Phone (985) 783-3209



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## **INDEPENDENT AUDITOR'S REPORT**

To The Judges  
Twenty-Ninth Judicial District  
Judicial Clerk's Fund  
Hahnville, Louisiana

We have audited the accompanying financial statements of the governmental activities of the Twenty-Ninth Judicial District Judicial Clerk's Fund, as of and for the year ended December 31, 2010, which collectively comprise the basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the management of the Twenty-Ninth Judicial District Judicial Clerk's Fund. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Twenty-Ninth Judicial District Judicial Clerk's Fund as of December 31, 2010, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis information on pages 2 through 7 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, we have also issued our report dated June 15, 2011 on our consideration of the Twenty-Ninth Judicial District Judicial Clerk's Fund internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the financial control over financial reporting or on compliance. That report is an *integral part of an audit performed in accordance with Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

A handwritten signature in cursive script that reads "Uzee, Butler, Arceneux & Bowes".

Harvey, Louisiana  
June 15, 2011

## GOVERNMENT - WIDE FINANCIAL STATEMENTS

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Statement of Net Assets  
Year Ended December 31, 2010

	<u><b>Governmental Activities</b></u>
<b>Assets</b>	
Current Assets	
Cash and cash equivalents	\$ 1,262,631
Receivables from other governments	<u>35,841</u>
Total current assets	1,298,472
Noncurrent Assets	
Capital assets, net of depreciation	<u>13,656</u>
<u>Total assets</u>	<u>1,312,128</u>
<b>Liabilities</b>	
Current Liabilities	
Accounts payable	<u>49,599</u>
<u>Total liabilities</u>	<u>49,599</u>
<b>Net Assets</b>	
Invested in capital assets	13,656
Unrestricted	<u>1,248,873</u>
<u>Total net assets</u>	<u>\$ 1,262,529</u>

The accompanying notes are an integral part of these basic financial statements.

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Statement of Activities  
Year Ended December 31, 2010

		<u>Program Revenues</u>		<u>Net Revenue (Expense)</u>
		<u>Expenses</u>	<u>Fees and Fines</u> <u>Operating Grants and Net Contributions</u>	
<b>Functions and Programs</b>				
Governmental Activities				
Judicial Court	\$ <u>540,310</u>	\$ <u>416,381</u>	\$ <u>260,144</u>	\$ <u>136,215</u>
<u>Total governmental activities</u>	<u>540,310</u>	<u>416,381</u>	<u>260,144</u>	<u>136,215</u>
	General Revenues			
	Interest			<u>3,212</u>
	Total general revenues			<u>3,212</u>
	Change in net assets			139,427
	Net assets - beginning of year			<u>1,123,102</u>
	Net assets - end of year			<u>\$ 1,262,529</u>

The accompanying notes are an integral part of these basic statements.

## FUND FINANCIAL STATEMENTS

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Balance Sheet  
Governmental Funds  
December 31, 2010

	<u>General Fund</u>	<u>Special Revenue Funds Families In Need Of Services</u>	<u>Adult Drug Court Program</u>	<u>Total (Memo Only)</u>
<b>Assets</b>				
Current Assets				
Cash and cash equivalents	\$1,228,839	\$ 11,746	\$ 22,046	\$1,262,631
Receivables from other governments	<u>17,834</u>	<u>-0-</u>	<u>18,007</u>	<u>35,841</u>
<b>Total assets</b>	<u>1,246,673</u>	<u>11,746</u>	<u>40,053</u>	<u>1,298,472</u>
<b>Liabilities</b>				
Accounts payable	<u>10,102</u>	<u>-0-</u>	<u>39,497</u>	<u>49,599</u>
<b>Total liabilities</b>	<u>10,102</u>	<u>-0-</u>	<u>39,497</u>	<u>49,599</u>
<b>Fund Balances</b>				
Unreserved, reported in general fund	<u>1,236,571</u>	<u>11,746</u>	<u>556</u>	<u>1,248,873</u>
<b>Total liabilities and fund balances</b>	<u>\$ 1,246,673</u>	<u>\$ 11,746</u>	<u>\$ 40,053</u>	<u>\$1,298,472</u>

The accompanying notes are an integral part of these basic statements.

TWENTY - NINTH JUDICIAL DISTRICT  
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St. Charles Parish, Louisiana

Reconciliation of Total Governmental Fund Balance  
to Net Assets of Governmental Activities  
December 31, 2010

Total governmental fund balances	\$1,248,873
Amounts reported for governmental activities in the Statement of Net Assets are different because capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	<u>13,656</u>
<u>Net assets of governmental activities</u>	<u>\$1,262,529</u>

The accompanying notes are an integral part of these basic statements.



**TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND**

St. Charles Parish, Louisiana

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended December 31, 2010**

REVENUES	General Fund	Special Revenue Funds		Total (Memo Only)
		Families in Need Of Services Program	Drug Court Program	
Criminal fees	\$ 354,894	\$ -0-	\$ -0-	\$ 354,894
Civil fees	25,663	-0-	-0-	25,663
Drug Court Federal Grant	-0-	-0-	52,058	52,058
Drug Court State Grant	-0-	-0-	174,717	174,717
FINS Grant	-0-	33,369	-0-	33,369
Supreme Court Reimbursements	9,725	-0-	-0-	9,725
Drug Participant Fees	-0-	-0-	26,099	26,099
Interest	<u>3,212</u>	<u>-0-</u>	<u>-0-</u>	<u>3,212</u>
<b>TOTAL REVENUES</b>	<u>393,494</u>	<u>33,369</u>	<u>252,874</u>	<u>679,737</u>
<b>EXPENDITURES</b>				
Administrative Services	9,662	1,208	-0-	10,870
Conferences	5,074	2,000	3,148	10,222
Dues & Publication	1,017	-0-	521	1,538
Office Supplies	4,254	-0-	479	4,733
Personnel Services & Benefits	41,558	-0-	-0-	41,558
Professional Services	157,066	29,705	4,092	190,863
Staff & Jury Lunches	1,526	709	-0-	2,235
Travel Expense	23,199	3,541	15,133	41,873
Telephone	3,072	-0-	456	3,528
Capital Expenditures	7,522	-0-	2,061	9,583
TANF Federal Expenses	<u>-0-</u>	<u>-0-</u>	<u>228,985</u>	<u>228,985</u>
<b>TOTAL EXPENDITURES</b>	<u>253,950</u>	<u>37,163</u>	<u>254,875</u>	<u>545,988</u>
EXCESS OF REVENUES OVER EXPENDITURES	139,544	(3,794)	(2,001)	133,749
FUND BALANCE, JANUARY 1	<u>1,097,027</u>	<u>15,540</u>	<u>2,557</u>	<u>1,115,124</u>
FUND BALANCE, DECEMBER 31	<u>\$ 1,236,571</u>	<u>\$ 11,746</u>	<u>\$ 556</u>	<u>\$ 1,248,873</u>

The accompanying notes are an integral part of these basic statements.

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended December 31, 2010

Net Change in Fund Balance - total governmental funds	\$ 133,749
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Amounts reported for the governmental activities in the  
Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.  
However, in the Statement of Activities, the cost of those assets  
is allocated over their estimated useful lives as depreciation  
expense. This is the amount by which capital outlays exceeded  
depreciation in the current period.

5,678

<u>Changes in net assets of governmental activities</u>	<u>\$ 139,427</u>
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The accompanying notes are an integral part of these basic statements.

TWENTY - NINTH JUDICIAL DISTRICT  
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St. Charles Parish, Louisiana

Notes to Basic Financial Statements

Introduction

As provided by and in accordance with Louisiana Revised Statute 13:996. 13-15, the Twenty-Ninth Judicial District Judicial Clerk's Fund was established in 1985. It is a part of the operation of the district court system, and was established for the purpose of paying for the judicial and courtroom expenses necessary for the efficient operation of the court. In addition to these expenses, the Judicial Clerk's Fund oversees the operation of the Drug Court Program, and the Families in Need of Services Program (F.I.N.S.). The Drug Court and F.I.N.S. Programs operate as authorized by the legislature and receive funding primarily from federal and state grants.

1) Summary of Significant Accounting Policies

A.) Reporting Entity

For financial reporting purposes, the Twenty - Ninth Judicial District Judicial Clerk's Fund is considered its own separate financial reporting entity. All funds, activities, etc... controlled by the fund as an independantly established entity are included as a part of this financial reporting body. There are no other component units. The judges of the Twenty - Ninth Judicial District Judicial Clerk's Fund are solely responsible for the operations of the fund with authority and responsibility for all operations, deficits, and the receipt and disbursement of monies. Accordingly, other units of the local government such as the Parish Council are considered separate reporting entities and issue financial statements separate from those of the Twenty - Ninth Judicial District Judicial Clerk's Fund.

B.) Basis of Presentation

The accompanying basic financial statements of the Judicial Clerk's Fund have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34. *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.*

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements - Continued

Government-Wide Financial Statements (GWFS)

The Judicial Clerk's Fund's basic financial statements include both government-wide (reporting the Judicial Clerk's Fund as a whole) and fund financial statements (reporting the Judicial Clerk's major funds). All of the Judicial Clerk's Funds judicial and administrative services are classified as governmental activities.

In the government-wide Statement of Net Assets, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Judicial Clerk's Funds net assets are reported in two parts - invested in capital assets and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the Judicial Clerk's Fund functions and activities (judicial). These functions are also supported by general government revenues (interest earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function (judicial). Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (interest earned, etc). This government-wide focus is more on the sustainability of the Judicial Clerk's Fund as an entity and the change in the Judicial Clerk's Funds net assets resulting from the current year's activities.

Fund Financial Statements (FFS)

The Judicial Clerk's Fund uses funds to maintain it's financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The Judicial Clerk's Fund encompasses only Governmental Funds, which are described below.

TWENTY - NINTH JUDICIAL DISTRICT  
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St. Charles Parish, Louisiana

Notes to Basic Financial Statements - Continued

Governmental

General Fund - The General Fund of the Judicial Clerk's Fund is used to account for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended in accordance with state and federal laws and according to Judicial Clerk's Fund policy.

Special Revenue Funds - The purpose of a Special Revenue Fund is to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Judicial Clerk's Fund has two Special Revenue Funds:

Drug Court Fund - The Drug Court Fund is a Special Revenue fund and accounts for the operation of the drug court, has one program director, and pays for drug prevention and treatment programs as directed by the court. The fund receives revenue from a grant from the Supreme Court of the State of Louisiana and a Federal grant from the Temporary Assistance for Needy Families Program (T.A.N.F.).

F.I.N.S. Fund - The F.I.N.S. Fund is also a Special Revenue Fund and accounts for the operation of the Families in Need of Services Program. Funding is provided primarily by a state grant and is administered also by the court.

C.) Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Government Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements - Continued

Governmental Fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Judicial Clerk's Fund considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Fees are recorded in the month in which they are collected by the Clerk of Court and Sheriff of St. Charles Parish.

Federal and State grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. Such revenue is subject to review by the funding agency and may result in disallowance in subsequent periods.

Interest earnings on time deposits are recorded when the time deposits mature, and the interest is available.

Expenditures

The Judicial Clerk's Fund's primary expenditures are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

D.) Budgets

Under current law the Twenty - Ninth Judicial District Judicial Clerk's Fund does not require budgetary accounting and encumbrances are not utilized. Because the judiciary is not included within the definition of a "political subdivision" covered by the Louisiana Government Budget Act, the Judicial Clerk's Fund is not required to prepare an annual budget.

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements - Continued

E.) Cash and cash equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the Judicial Clerk's Fund may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits in state banks, organized under Louisiana law and national banks having their principal offices in Louisiana. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

F.) Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Judicial Clerk's Fund investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents (demand deposits). Investments are carried at cost which approximates market.

G.) Capital Assets

In the government-wide financial statements capital assets purchased or acquired are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Contributed assets are recorded at fair market value at the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight-line depreciation is used based on the following estimated useful lives:

Furniture and fixtures	7 years
Computer equipment	5 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the fund upon acquisition.

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements - Continued

H.) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2) Deposits

Custodial risk is the risk that, in the event of a bank failure, the District Attorney's deposits might not be recovered. The Judicial Clerk's Fund deposit policy for custodial credit risk conforms to state law as described in Note 1 to the financial statements.

At December 31, 2010, the Judicial Clerk's Fund had cash totaling \$1,042,631 (book balances) invested in demand deposit accounts at various local banks. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount of deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2010 the Judicial Clerk's Fund had \$1,050,402 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance, and pledged securities held by the custodial bank in the name of the fiscal agent

3) Investments

As previously mentioned, custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the Judicial Clerk's Fund will not be able to recover the value of its investment. The Judicial Clerk's Fund is not exposed to custodial credit risk at December 31, 2010 since the investments are held in the name of the Judicial Clerk's Fund. The Judicial Clerk's Fund's investment policy conforms to state law, as described in Note 1, which has no provision for custodial credit risk.



TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements - Continued

Concentration of credit risk relates to the amount of investments in any one entity. At December 31, 2010, the Judicial Clerk's Fund had no investments in any one entity which exceeded 5% of total investments, except obligations of federally sponsored entities, which are implicitly guaranteed by the federal government.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The Judicial Clerk's Fund's investment policy conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2010, the Judicial Clerk's Fund had \$220,000 invested as follows:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less than 1	1-5	6-10	10 or more
Certificates Of Deposit	\$ 220,000	\$ 220,000	\$ -0-	\$ -0-	\$ -0-

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The Judicial Clerk's Fund invested only in obligations of federally and state sponsored entities in the amount of \$220,000, which are not rated. The type of investment allowed by the state law ensures that the Judicial Clerk's Fund is not exposed to credit risk.

4) Receivables From Other Governments

Accrued receivables consist of amounts owed for fees and grants at the end of the current period but not remitted until the subsequent period.

5) Capital Assets

Capital assets and depreciation activity for the governmental activities as of and for the year ended December 31, 2010 are as follows:

	Balance 01-01-10	Additions	Deletions	Balance 12-31-10
Furniture, Fixtures and Equipment	\$ 64,217	\$ 9,583	\$ -0-	\$ 73,800
Less: Accumulated Depreciation	(56,239)	(3,905)	-0-	(60,144)
CAPITAL ASSETS, NET	\$ 7,978	\$ 5,678	\$ -0-	\$ 13,656

TWENTY - NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements - Continued

6) Accounts Payable

Accounts payable represent expenses incurred during the current period but not paid until the subsequent period.

7) Pension Plan and Compensated Absences

The Judicial Clerk's Fund has no employees. Therefore, it does not participate in any pension plan and has no leave policy regarding compensated absences. The Parish of St. Charles reimburses the District Attorney's office for its director, who is an employee of the District Attorney's office

8) Leases

The Judicial Clerk's fund did not have any capital or operating lease commitments as of and for the year ended December 31, 2010.

9) Litigation and Claims

The Judicial Clerk's Fund is not involved in any litigation and is not aware of any claims outstanding that are not recorded in the financial statements.

10) On Behalf Payments

The Judicial Clerk's Fund utilizes office space in the parish courthouse provided by St. Charles Parish at no cost to the Judicial Clerk's Fund. These on behalf payments have not been recognized in these financial statements for 2010.

## SUPPLEMENTAL INFORMATION

TWENTY-NINTH JUDICIAL DISTRICT  
JUDICIAL EXPENSE FUND

St. Charles Parish, Louisiana

Schedule of Expenditures of Federal Awards  
for the Year Ended December 31, 2010

FEDERAL GRANTOR / PASS-THROUGH <u>GRANTOR / PROGRAM TITLE</u>	CFDA <u>NUMBER</u>	PASS-THROUGH FEDERAL <u>GRANTOR'S NUMBER</u>	<u>EXPENDITURES</u>
<u>PASS -THROUGH PROGRAMS</u>			
U.S. DEPT. OF HEALTH AND HUMAN SERVICES			
DRUG COURT PROGRAM TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	93.558	N/A	\$ 228,985

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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE AND OTHER MATTERS AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To The Judges  
Twenty-Ninth Judicial District  
Judicial Clerk's Fund  
Hahnville, Louisiana

We have audited the accompanying financial statements of the governmental activities of the Twenty-Ninth Judicial District Judicial Clerk's Fund as of and for the year ended December 31, 2010, which collectively comprise the basic financial statements as listed in the table of contents and have issued our report thereon dated June 15, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Twenty-Ninth Judicial District Judicial Clerk's Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Twenty-Ninth Judicial District Judicial Clerk's Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Twenty-Ninth Judicial District Judicial Clerk's Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Twenty-Ninth Judicial District Judicial Clerk's Fund's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be, deficiencies, significant deficiencies or material weaknesses. However, we did identify a deficiency in internal control over financial reporting that we consider to be a material weakness which is disclosed in the accompanying schedule.

This report is intended solely for the information and use of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Harvey, Louisiana  
June 15, 2011

TWENTY-NINTH JUDICIAL DISTRICT  
JUDICIAL CLERK'S FUND

St. Charles Parish, Louisiana

Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
Year Ended December 31, 2010

<u>Ref No.</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
CURRENT YEAR (12/31/10)						
<u>Internal Control:</u>						
09-01	Unknown	The Judicial Clerk's Fund does not have adequate segregation of duties within the Accounting Department.	N/A	None. Because of the cost of benefit, and limited number of personnel in the Accounting Department it is not possible to achieve adequate segregation of duties.	Charles Oubre Clerk of Court	N/A
PRIOR YEAR (12/31/09)						
<u>Internal Control:</u>						
08-01	Unknown	The Judicial Clerk's Fund does not have adequate segregation of duties within the Accounting Department	N/A	None. Same as above	Charles Oubre Clerk of Court	N/A